

Contractor Name

XX-XXXXX

Exhibit E

Additional Provisions

A. Additional Incorporated Exhibits

The following additional exhibits are attached, incorporated herein, and made a part hereof by this reference:

1) Exhibit H	External Accountability Set Measures	1 page
2) Exhibit I	Glossary of Terms/Acronyms	9 pages
3) Exhibit J	Contractor's Technical Proposal	X pages

B. Contract Amendments

Should either party, during the term of this agreement, desire a change or amendment to the terms of this Agreement, such changes or amendments shall be proposed in writing to the other party, who will respond in writing as to whether the proposed changes/amendments are accepted or rejected. If accepted and after negotiations are concluded, the agreed upon changes shall be made through the State's official agreement amendment process. No amendment will be considered binding on either party until it is formally approved by the State.

C. Cancellation / Termination

1. This agreement may be cancelled by DHS without cause upon thirty (30) calendar days advance written notice to the Contractor.
2. DHS reserves the right to cancel or terminate this agreement immediately for cause. The Contractor may submit a written request to terminate this agreement only if DHS substantially fails to perform its responsibilities as provided herein.
3. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of this agreement.
4. Agreement termination or cancellation shall be effective as of the date indicated in DHS' notification to the Contractor. The notice shall stipulate any final performance, invoicing or payment requirements.
5. Upon receipt of a notice of termination or cancellation, the Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent agreement costs.
6. In the event of early termination or cancellation, the Contractor shall be entitled to compensation for deliverable which have been accepted by DHS.

D. Insurance

1. As used in this section, a third party carrier means an insurance and/or bonding company licensed to provide the required lines of insurance in the State of California and in the amounts required by this Contract. No policy of insurance provided or maintained under this section shall provide for an exclusion for the acts of officers, directors, or managing shareholders.
2. The Contractor shall furnish to the State a Certificate of Insurance stating that there is Comprehensive General Liability Insurance [CGL] presently in effect for the Contractor with a Combined Single Limit [CSL] of not less than one million dollars [\$1,000,000.] per occurrence for bodily injury and property liability combined.
 - a. The Certificate of Insurance shall provide:
 - 1) that the insurer will not cancel the insured's coverage without thirty [30] days written notice to DHS;
 - 2) that DHS, its officers, agents, employees, and servants are included as additional insureds but only insofar as the operations under this contract are concerned; and
 - 3) that DHS will not be responsible for any premiums or assessments on the policy.
 - b. The Certificate of Insurance shall meet such additional standards as may be determined by DHS, either independently or in consultation with the DGS, Office of Insurance and Risk Management [OIRM], as essential for protection of DHS.
 - c. The insurance will be issued by an Insurance Company acceptable to the DGS, OIRM or be provided through partial or total self-insurance acceptable to the DGS.
 - d. The Contractor agrees that the CGL insurance herein provided for shall be in effect at all times during the term of this Contract. The Contractor shall agree to provide at least thirty [30] days notice prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Contract, or for a period of not less than one year.
3. The Contractor shall provide and maintain Workers' Compensation Insurance, in accordance with the statutory requirements of the state where work is performed, during the performance of this Contract, and require its subcontractors to do the same.
4. New Certificates of Insurance are subject to the approval of the DHS and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein required, DHS may, in addition to any other remedies it may have,

terminate this contract.

E. Contractor's Obligation to Implement

DHS may issue Medi-Cal Managed Care Division [MMCD] EQRO Program Policy Letters. These documents will be utilized to notify the Contractor of clarifications made to the Contract, the Contractor's scope of work or the duties and obligations regarding implementation. The Contractor shall implement any and all clarifications as required by MMCD EQRO Policy Letters. The policy letters issued under this section shall not create new contract obligations.

F. Subcontractors

1. DHS reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this agreement.
 - a. Upon receipt of a written notice from DHS requiring the substitution and/or termination of a subcontract, the Contractor shall take steps to ensure the completion of any work in progress and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by DHS.
2. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) of \$5,000 or more are subject to the prior review and written approval of DHS. DHS may, at its discretion, elect to waive this right. All such waivers shall be confirmed in writing by DHS.
3. Contractor shall maintain a copy of each subcontract entered into in support of this agreement and shall, upon request by DHS, make said copies available for approval, inspection, or audit.
4. Sole responsibility rests with the Contractor to ensure that subcontractors, used in performance of this agreement, are paid in a timely manner. The timeliness of said payments may be affected by the timeliness of payments issued by DHS to the Contractor.
5. The Contractor is responsible for all performance requirements under this agreement even though performance may be carried out through a subcontract.
6. When entering into a consulting service agreement with DHS, the Contractor will be required to supply budget detail for each subcontractor and/or each major subcontracted activity under this agreement. Such budget detail shall be deemed attachments to the Escrow Documents provided by the Contractor prior to the contract award. Review of these documents will conform to the requirements for review of the original Escrow Documents.
7. The Contractor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this

agreement.

8. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

"(Subcontractor Name) agrees to maintain and preserve, until five (5) years after termination of (Agreement Number) to permit DHS or any duly authorized representative to have access to examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records."

9. Unless otherwise stipulated in writing by DHS, the Contractor shall be the subcontractor's sole point of contact for all matters related to performance and payment under this agreement.
10. Contractor shall, as applicable, advise all subcontractors of their obligations pursuant to the applicable numbered provisions of this exhibit.

G. Inspection Rights and Access Requirements.

1. The Contractor shall allow DHS, the Department of Health and Human Services (DHHS), the Comptroller General of the United States, the State Auditor and other authorized federal and State agencies or their duly authorized representatives, to inspect, monitor or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Contract. Such activities shall include, but not be limited to interviewing employees; obtaining, reviewing, copying and auditing any and all books, records, management systems, and facilities maintained by the Contractor and subcontractors, pertaining to such services, at any time during normal business hours.
2. As used in this Section, books and records shall include, but are not limited to, all physical records originated or prepared pursuant to the performance under this Contract including working papers; reports in development; reports submitted to DHS; financial records and books of account; study designs, tools, software, and databases; management information system files; plan data; all medical records, medical charts and prescription files; other documentation pertaining to clinical outcomes, medical, and non-medical services rendered to plan Members; and any related information, regardless of (1) the medium in which these books, and records are recorded or reproduced; and (2) the location where compiled and/or stored. All electronic files must be available in a format requested by DHS.
3. Upon request, at any time during the period of this Contract, the Contractor shall furnish any relevant information, record, or copy of it, to DHS, DHHS, the Comptroller General of the United States, the State Auditor and other authorized Federal and State agencies, or their duly authorized representatives (hereafter "Authorized Representatives". If a copy is provided, the Authorized Representatives

shall have the right to view the original documentation upon request.

4. Notwithstanding any shorter period provided in Exhibit D(F), this Contract is subject to the examination and audit of the State Auditor for a period of five [5] years after final payment under this Contract.
5. To assure compliance with the provisions of this Contract, applicable Federal and State laws and regulations and for any other reasonable purpose, Authorized Representatives shall have the right to access the Contractor's premises, with or without notice. This shall include the Contractor's and subcontractor's management facilities, presentation sites, or other places where Contract duties are being performed.
6. Staff designated by Authorized Representatives shall have access to all security areas and the Contractor shall provide, and shall require any and all of its subcontractors to provide, reasonable facilities to such authorized persons in the performance of their duties. Access shall be undertaken in such a manner as not to unduly delay the work of the Contractor and/or subcontractor[s].
7. The right of access herein shall include on-site visits by Authorized Representatives and by the successor Contractor when accompanied by a DHS representative[s]. Any security device or system which the Contractor implements to identify and monitor persons seeking access to secured areas shall be supplied by the Contractor to the Authorized Representatives.

H. Dispute Resolution Process

1. This provision replaces and supersedes provision 15 of Exhibit D(F).
2. If the Contractor believes there is a dispute or grievance between Contractor and DHS, both parties shall follow the two-step procedure outlined below.
 - a. The Contractor should first discuss the problem informally with the DHS program contract manager. If the problem cannot be resolved at this stage, the Contractor must direct the grievance together with any evidence, in writing, to the program Contract Officer. The grievance must state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Contract Officer must make a determination on the problem within ten (10) working days after receipt of the written communication from the Contractor. The Contract Officer shall respond in writing to the Contractor indicating the decision and reasons therefore. Should the Contractor disagree with the Contract Officer's decision, the Contractor may appeal to the second level.
 - b. The Contractor must prepare a letter indicating why the Contract Officer's decision is unacceptable, attaching to it the Contractor's original statement of the dispute with supporting documents along with a copy of the Contract Officer's response. This letter shall be sent to the MMCD Division within ten (10) working days from receipt of the Contract Officer's decision. The MMCD Division Chief

or designee shall meet with the Contractor to review the issues raised. A written decision signed by the Division Chief or designee shall be returned to the Contractor within twenty (20) working days of receipt of the Contractor's letter.

I. Record Keeping, Audit/Inspection of Records

The Contractor shall maintain books and records as defined in Section G above, compiled and/or stored at the Contractor's defined storage location. The records shall be of sufficient information to disclose how the Contractor discharged its obligations under this Contract. These books and records shall disclose the quantity of services provided under this Contract and the manner in which the Contractor administered its daily business. The cost, manner and amount of payment made to any vendors and subcontractors for those services shall be maintained and disclosed, as needed, under the terms and conditions of the Escrow Documentation of this contract.

J. Separation of Books and Records

The Contractor shall keep all books and records or other similar materials pertaining to this Contract, as defined in Section G, separate from the books and records of other activities not related to this Contract. Contractor related records shall be maintained at the Contractor's defined storage location.

K. Publications

Notwithstanding Exhibit D(F), books and records as defined in Section G shall not be published, disseminated or otherwise released in any manner without the express written consent of DHS. This restriction shall also apply to the publication of any activities relevant to the obligations or scope of work under this Contract, and to articles and papers proposed for publication in any newspapers, bulletins or journals.

L. Copyrights

Notwithstanding Exhibit D(F), products and materials as defined in Section G shall not be securable for copyrights by the Contractor or subcontractors. As specified in Section G: Inspection Rights and Access Requirements, any products or materials produced as part of this Contract are the property of the State, and such copyrights and the right to copyright products and materials shall belong to the State and no further action shall be necessary to perfect the State's rights in them.

M. Management Information Systems [MIS]

The Contractor will maintain and ensure that the MIS hardware and software are adequate to fulfill the requirements of this project for the life of this Contract. Electronic databases and data files will be transmitted to DHS during the Turnover/Phaseout Period, in a format such as DB2 or ACSII or other format determined by DHS.

N. Contractor Certifications

1. With respect to any report, invoice, record, papers, documents, books of account, or other Contract required data and information submitted pursuant to the requirements of this Contract, the Contractor's authorized designee or his/her representative shall certify that the report, invoice, record, papers, documents, books of account or other Contract required data and information is current, accurate, complete and in full compliance with legal and Contractual requirements to the best of that individual's knowledge and belief, unless the requirement for such certification is expressly waived by DHS in writing.
2. Wherever in this Contract there is a requirement that the Contractor "certify" or submit a "certification," such certification shall be in the form of an affidavit or declaration under penalty of perjury under the laws of the State of California dated and signed by the Contractor's Representative or his/her authorized designee.

O. Protection From Unauthorized Disclosure

Notwithstanding any other provision of this Contract, names of persons receiving public social services are confidential and are to be protected from unauthorized disclosure in accordance with Title 42, CFR, Section 431.300 et seq. and Section 14100.2, W&I Code and regulations adopted thereunder. For the purpose of this Contract, all information, records, data, and data elements collected and maintained shall be protected by the Contractor from unauthorized disclosure.

P. Contractor's Duties to Maintain Confidentiality

In addition to the requirements of Exhibit D(F), any identifiable information concerning a current or former plan member that is obtained by the Contractor or its subcontractor[s] under the scope of work of this Contract shall, at the termination of this Contract, (1) be returned to DHS or maintained according to written procedures sent to the Contractor by DHS for this purpose; and (2) protected from all other employees of the Contractor not assigned to the scope of work under the terms of this Contract.

Q. Priority Hiring Considerations

(Applicable to agreements in excess of \$200,000)

1. Contractor agrees that it shall give priority consideration in filling vacancies in positions funded by this agreement to qualified recipients of aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions (W&I) Code, in accordance with Article 3.9 (commencing with Section 11349) of Chapter 2 of Part 3 of Division 9 of the W&I Code.
2. This provision shall not be construed to do any of the following:
 - a. Interfere with or create a violation of the terms of valid collective bargaining agreements;

- b. Require the Contractor to hire an unqualified recipient of aid;
- c. Interfere with, or create a violation of, any federal affirmative action obligation of a contractor for hiring disabled veterans or veterans of the Vietnam era;
- d. Interfere with, or create a violation of, the requirements of Section 12990 of the Government Code implementing the State of California's nondiscrimination laws.

R. Turnover/Phaseout Requirements

The Turnover/Phaseout Period shall occur during the same three [3] month time period. This period shall commence on the first day following the expiration of the Operations Period of the Contract. Turnover/Phaseout related activities are not billable activities.

Prior to the termination or expiration of this Contract and upon request by DHS, the Contractor shall transfer to the Department, or a successor contractor, plan members' and eligible beneficiaries' medical record information, plan data, medical survey tools (exclusive of any Contractor proprietary tools), data analysis and evaluation reports of medical quality review studies, all appropriate Books and Records as defined in Section G, and all databases and files required by this Contract. During the Turnover Period, the Contractor shall make available to DHS copies of medical records, patient files, management information system files and any related information including information maintained by any subcontractor, necessary for efficient transfer of Contractor responsibilities, as determined by DHS. Should DHS determine that other data is required for Turnover, DHS shall notify the Contractor in writing within the time constraints enumerated below. Costs of reproduction shall be borne by the State.

1. All data, information and documentation provided by the Contractor shall be accompanied by a letter, signed by the Contractor's representative, certifying to the accuracy and completeness of the materials supplied.
2. The physical transfer of data, information and documentation shall be in an orderly and efficient manner, and in full compliance with the security and confidentiality provisions of this Contract. The Contractor will transfer to DHS, in covered boxes, all required documents along with transmittal sheets indicating the contents of each box and the type[s] of document[s] contained in each box.